

Maintenance arrears to incur interest and surcharge

The Interest and Surcharge on Arrears of Maintenance Ordinance (the Ordinance), which introduces two legislative measures – interest and surcharge on arrears of maintenance - to address the difficulties encountered by some maintenance payees in collecting maintenance payments and in enforcing maintenance orders, will come into effect on May 1, 2005.

A spokesman for the Home Affairs Bureau said today (April 29) that interest on arrears of maintenance was to compensate maintenance payees for the loss of interest on their savings, or for the interest payable in respect of loans they had to obtain due to maintenance payers' default or delay in making maintenance payment(s).

“Under the Ordinance, where a maintenance payer does not pay the full amount or does not pay punctually according to a maintenance order, a maintenance payee is entitled to interest automatically in respect of the arrears of maintenance accrued on or after May 1, 2005,” the spokesman said.

Another measure introduced by the Ordinance is the payment of surcharge on arrears of maintenance. Surcharge on arrears of maintenance is to serve as a further deterrent against the blameworthy conduct of a maintenance payer who defaults without reasonable excuse.

“Where a maintenance payer, without reasonable excuse, repeatedly fails to pay the full amount or pay punctually in compliance with the maintenance order, the maintenance payee can apply to the court for an order requiring the maintenance payer to pay to him or her a surcharge in respect of the total arrears of maintenance accrued on or after May 1, 2005,” the spokesman said.

“The court may order a maintenance payer to pay a surcharge up to 100% of the total arrears of maintenance accrued up to the date of payment of the surcharge.

People may access the HAB thematic website on interest and surcharge on arrears of maintenance at <http://www.hab.gov.hk/maintenance> for details of the two new measures as well as an on-line version of the computer programme for calculation of interest and surcharge on arrears of maintenance. They may also

download an off-line version of the computer programme from the website in case they wish to use the programme in an off-line environment.

Ends/Friday, April 29, 2005